

CLAIMS

1 1. A method for a party to buy and sell goods and/or services from and to a plurality
2 of counterparties over a computer network, the method comprising the steps of:
3 determining a bid price and an offer price at which the party is willing to buy or sell,
4 respectively, a good or service;
5 maintaining a list of determined bid prices and offer prices in a computer that is part of or
6 linked to the computer network, wherein the list can be viewed, edited and maintained by the
7 party, but cannot be viewed by any counterparty;
8 providing the determined bid price and offer price for the good or service to the plurality
9 of counterparties over the computer network, wherein the determined bid price and offer price
10 that is provided is from the list;
11 receiving an offer to sell the good or service at the bid price from a first counterparty over
12 the computer network;
13 buying the good or service at the bid price from the first counterparty upon receipt of the
14 offer to sell;
15 receiving an offer to buy the good or service at the offer price from a second counterparty
16 over the computer network;
17 monitoring and evaluating a credit headroom before selling the good or service to the
18 second counterparty using a computer software, wherein the computer software is adapted to
19 determine whether the credit headroom would be exceeded if the offer to buy from the second
20 counterparty is accepted;
21 selling the good or service at the offer price to the second counterparty upon receipt of
22 the offer to buy and after determining the credit headroom would not be exceeded, wherein there
23 is no requirement to pay a commission to a third party for either the purchase or the sale of the
24 good or service; and
25 providing to the plurality of counterparties over the computer network a next-determined
26 bid price and offer price from the list so that the next-determined bid price and offer price is
27 displayed to the plurality of counterparties nearly immediately after the party buys or sells the
28 good or service, wherein a quantity, volume or an amount of the good or service is associated
29 with each determined and next-determined bid and offer price.

1 2. The method of claim 1, further comprising:
2 linking the list of determined bid prices and offer prices for a first good or service with
3 the list of determined bid prices and offer prices for a second good or service; and
4 changing the determined bid prices and offer prices for the first good or service in
5 response to changes in the determined bid prices and offer prices for the second good or service.

1 3. The method of claim 2, wherein a difference is maintained between the
2 determined bid prices and offer prices of the first good or service as compared to the determined
3 bid prices and offer prices of the second good or service.

1 4. The method of claim 1, further comprising:
2 maintaining a spread between the next-determined bid and offer prices for a good or
3 service, the spread having a midpoint; and
4 setting the value of the next-determined bid and offer price using a last-transacted bid or
5 offer price of that good or service as the midpoint.

1 5. The method of claim 1, wherein the next-determined bid price and offer price for
2 a good or service is selected as the value of a last-transacted bid or offer price of that good or
3 service plus or minus an offset.

1 6. The method of claim 1, wherein physical delivery of a physical good is
2 accomplished outside the computer network.

1 7. A computer-automated method for a party to buy and sell commodities from and
2 to a plurality of counterparties over a computer network, the method comprising the steps of:
3 providing computer software adapted to allow communication between the party and the
4 plurality of counterparties over the computer network;
5 evaluating each of the plurality of counterparties to determine a limit on credit to extend
6 to each counterparty;

7 establishing contract terms with each counterparty for providing a governing contractual
8 framework for automated buying and selling of the commodities between the party and each of
9 the counterparties;

10 specifying attributes for identifying each commodity to provide certainty in
11 communications between the party and the counterparties for contemplated transactions, wherein
12 the attributes are communicated to the counterparties over the computer network;

13 establishing a list in the computer software of bid and offer prices for specified volumes
14 or quantities of a plurality of commodities, wherein the list is not communicated to the
15 counterparties;

16 providing a first bid price from the list for a first commodity to the plurality of
17 counterparties over the computer network, wherein the party is willing to buy a specified volume
18 or quantity of the first commodity at the first bid price;

19 providing a first offer price from the list for the first commodity to the plurality of
20 counterparties over the computer network, wherein the party is willing to sell the specified
21 volume or quantity of the first commodity at the first offer price;

22 receiving over the computer network from a first counterparty an offer to buy the
23 specified volume or quantity of the first commodity;

24 using the computer software to automatically evaluate whether selling the specified
25 volume or quantity of the first commodity to the first counterparty would exceed the first
26 counterparty's credit limit;

27 completing a first transaction, without human intervention, by selling the specified
28 volume or quantity of the first commodity to the first counterparty, provided the first
29 counterparty's credit limit will not be exceeded;

30 providing a second bid price from the list for the first commodity to the plurality of
31 counterparties over the computer network, wherein the party is willing to buy a specified volume
32 or quantity of the first commodity at the second bid price;

33 providing a second offer price from the list for the first commodity to the plurality of
34 counterparties over the computer network, wherein the party is willing to sell the specified
35 volume or quantity of the first commodity at the second offer price;

36 receiving over the computer network from a second counterparty an offer to sell the
37 specified volume or quantity of the first commodity;

38 completing a second transaction, automatically and without human intervention, by
39 buying the specified volume or quantity of the first commodity from the second counterparty;
40 and
41 providing bid and offer prices for the plurality of commodities for completing additional
42 transactions.

1 8. The method of claim 7, wherein a third-party broker is not involved in any of the
2 transactions so that it is not necessary to pay a commission to a third party.

1 9. The method of claim 7, wherein the bid and offer prices are pushed from a
2 computer operated by the party out over the computer network to the counterparties so that the
3 counterparties receive a next-established bid and offer price without requiring intervention by the
4 counterparties.

10. The method of claim 7, wherein the commodities include natural gas, electricity, crude oil, cracked distillate products, hydrocarbon-based products, financial swaps, credit derivatives, bandwidth, lumber, and/or metals.